

**Statement of Jeff McMahon  
Before the  
U. S. Senate Committee on  
Commerce, Science and Transportation  
  
Hearing on Enron Corp.  
Tuesday, February 26, 2002**

Good morning. Mr. Chairman and Members of the committee, my name is Jeff McMahon. I am currently the President and Chief Operating Officer of Enron Corp. I have been an employee of Enron since 1994. From late October of last year until early this month, I served as Chief Financial Officer of the company. Before that, I was President and Chief Executive Officer of Enron's Industrial Markets Group. From 1998 until March 2000, I was Treasurer of Enron Corp. Before that, I served as Chief Financial Officer of its European Operations.

As the committee knows, earlier this month I was named as President and COO, at the same time Stephen Cooper was named the new interim Chief Executive Officer of the company. As part of the new management team at Enron, my focus is on the future – the future of the business, the future of our nearly 20,000 existing employees worldwide who are looking

for continued employment, the future of our over 8,000 retirees who are looking for continued retirement benefits from the company, and the various other stakeholders, including our creditors, who have an interest in Enron's future.

Working closely with the Board of Directors and the Creditors Committee, we are developing a restructuring plan designed to bring the company out of bankruptcy and preserve value for the company's creditors, its employees and its stakeholders. I believe that Enron can emerge from bankruptcy by returning to its roots. As Mr. Cooper expressed at the announcement of his appointment as new interim CEO, our reorganized business will be dedicated primarily to the movement of natural gas and the generation of electricity.

With respect to the issues the committee is examining, as the Chairman knows, I have been fully and freely cooperating with this and other congressional committees in this matter. I welcome today's

opportunity to answer, to the best of my ability, questions the committee may have about the past events at Enron or our future direction.

Thank you, Mr. Chairman.

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